(b) if so, Government's policy in this regard and the products which have been granted price approval of import of formulations;

(c) whether it is also a fact that Ely Lilly, Nicholas, Sun have flouted the DPCO fully in case of finished formulations prices; and

(d) if so, the details thereof?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI RAM VILAS PASWAN): (a) and (b) Prices of Scheduled imported formulations are fixed as per para 7 of the Drugs (Prices Control) Order, 1995, by the National Pharmaceutical Pricing Authority (NPPA). Para 7 provides that the landed cost shall form the basis for fixing its price alongwith such margin to cover selling and distribution expenses including interest and importer's profit which shall not exceed fifty percent of the landed cost. Importers of non-Scheduled formulations fix their price on their own as per cost of import and prevailing market competition etc. NPPA regularly examines the movement in prices of non-Scheduled formulations (including imported formulations) on the basis of information available to it from various sources.

(c) and (d) No case of flouting Drugs (Prices Control) Order, 1995 provisions/price violation in case of finished formulation prices has come to the notice of NPPA in respect of M/s. Ely Lilly, M/s. Nicholas and M/s. Sun.

Effect of Trips on Prices of Drugs

1053. SHRI K. RAMA MOHANA RAO: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that according to a study of the US-based National Bureau of Economic Research, the TRIPS will have detrimental effect on India and prices of drugs, including those of off-Patent will see a significant hike;

(b) if so, the reaction of Government to this study; and

(c) how Government propose to protect the consumers from the enormous rise in prices of drugs from 2005?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI RAM VILAS PASWAN): (a) to (c) Legal provisions to fulfil the commitments

under the TRIPs Agreement regarding the introduction of product patent in pharmaceuticals will be made after due consideration of the concerns of all the stakeholders, including the consumers.

Revival of IDPL

1054. SHRI C. PERUMAL: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether a package for revival of Indian Drugs and Pharmaceuticals Ltd. (IDPL) is long pending;

(b) if so, the reasons therefor; and

(c) by when IDPL will be revived?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI RAM VILAS PASWAN): (a) to (c) No Sir. BIFR, in its hearing dated 4.12.2003, has passed winding up orders for IDPL and has referred the matter to the concerned High Court for winding up.

Revival of Fact

1055. SHRI N.K. PREMACHANDRAN: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether any package relating to the revival of FACT in Kerala is under consideration of Government;

(b) if so, the details thereof;

(c) the working capital required for the revival of the FACT and the mode by which Government propose to raise the requirement; and

(d) whether there is any proposal to import Naphtha for FACT and whether Government propose to undertake any step to modernise FACT?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI RAM VILAS PASWAN): (a) and (b) Considering poor financial performance of FACT, the Government in March 2002 had waived outstanding interest of Rs. 226.88 crore along with penal interest as on 31.3.2002 on the Government loans availed by the company. Again in October 2003, the Government waived outstanding interest of Rs. 87.80 crore along with